

Crib standards

Consumer Product Safety Commission (CPS) reports that new Federal safety requirements for all non-full-size baby cribs—including portable cribs, crib-pens, specialty cribs, undersize cribs & oversize cribs—are in effect for cribs made after Aug. 9. Safety requirements for full-size baby cribs have been in effect since February 1974.

Safety requirements for non-full-size baby cribs include the following:

- Space between crib slats shall not exceed 6 centimeters (2½ inches). This prevents parts of the infant's body from becoming trapped.
- Crib mattress must fit tightly within the confines of the crib sides to prevent entrapment of body parts.
- Height between the crib mattress support in its highest adjustable position & the side rail in its lowest adjustable position cannot be less than 12.7 centimeters (5 inches) to prevent against accidental falls.
- Height between the crib mattresses support in its lowest adjustable position & the side rail in its highest adjustable position cannot be less than 55.9 centimeters (22 inches) to guard against falls.
- Hardware on the crib is to be designed & constructed to eliminate pinching, bruising, lacerating, crushing & amputating during normal use or when subjected to reasonably foreseeable damage or abuse. All wooden surfaces are to be smooth & free from splinters.
- No horizontal bar, ledge, projection or other surface accessible to the child inside the crib that could be used as a foothold for climbing is permitted.
- All non-full-size cribs that require assembly must be accompanied by detailed instructions on how to do it.
- Label stating that the non-full-size crib conforms to CPSC regulations must accompany the crib itself & its retail carton. Additionally, the manufacturer's name & address along with a style or model number plus correct mattress size must be permanently affixed to all non-full-size cribs.

For further information, call CPSC's toll-free hotline: 800-638-2666 (Maryland residents call: 800-492-2937).

Warning!

Agriculture Dept. has issued a warning to consumers who may have bought sheep the past few years from the S.R. Jackson Farm in La Salle County, IL. Sheep may have been infected with scrapie. Anyone who bought sheep from the Jackson Farm should contact the nearest state or Federal veterinarian.

consumer news

DEPARTMENT OF HEALTH, EDUCATION & WELFARE
Office of Consumer Affairs
Virginia H. Knauer, Director

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New consumer laws

President Ford recently signed into law 3 bills that have an impact on consumers:

1. To increase the quantity & quality of housing in this country, the Housing Authorization Act of 1976 was signed & makes available at least \$60 million for the modernization of low-income housing projects & \$140 million to assist in financing new low-income housing. Law also:

- Extends authority of the National Housing Act & authorizes **Housing & Urban Development Dept.** (HUD), among other things, to make financial assistance available to qualifying low-income families for the purpose of buying a mobile home.
- Amends the Housing Act of 1964 as it relates to the Federal Government's rehabilitation loan program.
- Increases the funds available for urban homesteading.
- Adds to the Housing & Urban Development Act of 1970 a new provision requiring HUD to undertake studies to determine if there is a need for pre-purchase, default & delinquency counseling for consumers who intend to or have already purchased single-family homes insured by the Federal Government.

2. President Ford has also signed the Comprehensive Alcohol Abuse & Alcoholism Prevention, Treatment & Rehabilitation Act Amendments of 1976. Purpose of the new law is to approach alcohol abuse & alcoholism through a comprehensive Federal, state & local effort. Law also calls for the development of methods for diverting problem drinking from criminal justice systems into prevention & treatment programs.

3. Motor Vehicle Information & Cost Savings Act Amendments of 1976 strengthens the 2-year-old Motor Vehicle Information & Cost Savings Act by making it a criminal offense to tamper with a car's odometer—an offense punishable by fines of up to \$50,000 &/or a year's imprisonment. Until this amendment, car buyers were allowed to sue for damages resulting from an altered odometer; it is hoped that the new criminal penalties will make the law more effective. New law also gives **Transportation Dept.** the authority to investigate possible odometer tampering.

New deputy director

Virginia Knauer, Director of **Office of Consumer Affairs (OCA)** has appointed Michael A. Sterlacci as Deputy Director of OCA. Sterlacci succeeds S. John Byington, whom President Ford appointed as Chairman of **Consumer Product Safety Commission (CPSC)**. Sterlacci has been General Counsel of OCA since January 1975. Before joining OCA, he was Assistant Special Counsel to the President. He has also served as Assistant General Counsel for **United States Information Agency (USIA)**, Special Assistant to a Congressman & trial attorney & Special Assistant to the Attorney General at **Justice Dept.**

Free samples

Should there be full disclosure regulations for advertisements offering consumers free samples of products? Virginia Knauer, Special Assistant to the President for Consumer Affairs, says that many consumers do want such regulations. Mrs. Knauer favors regulation by **Federal Trade Commission (FTC)**.

Controversy began last September when full page ads appeared in national publications, offering free samples of brand name cosmetics, including Bonne Bell Cosmetic products. Ads, by a group called Skin Care Collectors, showed full-size Bonne Bell products, indicating that consumers could get free samples if they sent \$1 for handling & mailing.

Bonne Bell company became infuriated at the ad. According to a number of letters sent to the company, many women thought Bonne Bell was the advertiser. A number of consumers complained that they did not receive anything at all for their \$1, or if they did, only 0.95 cubic centimeters (1/30th of a fluid ounce) of each product—nowhere near the full-size products displayed in the ad.

As a consequence, Bonne Bell ran its own full page ad in national publications, criticizing the free sample offer & asked consumers to write Mrs. Knauer to tell her whether they believe full disclosure regulations were needed. Mrs. Knauer received 18,000 comments in response to Bonne Bell's ad. About 90% asked for regulations about free sample advertising or thought the sample ads were deceptive, or both.

Mrs. Knauer then wrote to a number of consumer leaders & private & public advertising experts, asking their advice about the need to regulate free sample ads for free samples. She turned over all the correspondence to the FTC. She noted:

- FTC staff apparently believes action by the **Postal Service (PS)** is adequate to ensure the honesty of ads offering free samples.
- PS said FTC would be the appropriate Federal agency to regulate offers of free samples.
- She favors action by FTC.

Federal checks

Civil Service Commission (CSC) is testing a system of direct bank or savings deposit of Federal Government retirement checks. Like the system developed by the **Social Security Administration (SSA)** for direct deposit of Social Security checks, CSC's system is voluntary for retirees or their survivors.

To participate in the system, retirees & survivors must wait until they are notified by CSC. Notification will explain what forms to fill out with a local bank or savings institution.

Comptroller General says agencies can aid consumer reps

Comptroller General of the US (the Federal Government's accountant) says its decision on financial assistance for consumers in a **Nuclear Regulatory Commission (NRC)** matter also applies to other Federal agencies unless there is a specific law against such aid. Comptroller General said earlier this year that NRC has the legal authority to facilitate public participation in its proceedings by using its own funds to pay the expenses of consumers & others when (1) NRC believes that such participation is required by law or necessary to provide opposing points of view on a matter, & (2) when NRC finds that the consumer spokesman or any other spokesman is unable to afford the financial costs of participating in NRC proceedings & hearings.

Federal Trade Commission (FTC) already pays expenses for consumer representatives in certain hearings [CONSUMER NEWS: Sept. 1]. FTC's authority & guidelines for financial assistance for consumer opinion are in the **Magnuson-Moss Warranty—Federal Trade Improvement Act**. **Food & Drug Administration (FDA)** is now seeking public comments on whether it should also pay certain expenses of consumer representatives in FDA proceedings [CONSUMER REGISTER: this issue]. Comptroller General says that FDA can legally pay consumer participation expenses although no law requires such FDA assistance in the way that a specific law requires FTC aid.

Comptroller General says 7 other Federal agencies can legally pay consumer participation expenses although no law requires them to do so. These agencies are **Consumer Product Safety Commission (CPSC)**, **Environmental Protection Agency (EPA)**, **Federal Communications Commission (FCC)**, **Federal Power Commission (FPC)**, **Interstate Commerce Commission (ICC)**, **National Highway Traffic Safety Administration (NHTSA)** & **Securities & Exchange Commission (SEC)**.

In response to questions from Rep. John E. Moss, Chairman of the Oversight & Investigations Subcommittee of the House Committee on Interstate & Foreign Commerce, the Comptroller General said:

- A Federal agency can use its funds to finance the costs of participants in agency hearings whenever the agency finds it cannot make necessary decisions unless it hears certain points of view from persons or spokesmen who need financial assistance to attend hearings & to file comments. It is up to each agency to determine whether a particular view point is needed & whether the spokesman is unable to pay the costs of participating—costs such as research; fees for legal & technical or scientific opinion; transportation to hearings; & daily expenses while attending hearings. No one has the right to take part in a hearing or other agency proceeding at Federal expense unless an agency approves of the participation & costs ahead of time.

- Nothing in the laws of the agencies named above prevents them from simplifying their procedures to decrease the cost for the public participation.

- Agency staff members can provide consumer participants with factual information concerning legal aspects of a hearing or technical expertise; however, staff members cannot serve as technical advisors or legal advocates.

- An agency can have its staff present information to the agency's decision-making bodies concerning consumer viewpoints in the course of a proceeding to call attention to relevant opinions not expressed by persons representing private interests; however, no agency can use its funds to establish an independent public counsel outside of its jurisdiction & control.

- An agency can establish a consumer assistance office to provide consumers with factual information—as FCC did in March.

- Comptroller General says that its opinion on consumer financial assistance is not limited to the 10 agencies already mentioned. Other agencies may use their funds to pay for consumer participation unless there is a law against such a practice. Comptroller General added that it would be advisable for Congress to pass laws spelling out financial assistance for consumer spokesmen as Congress did in the FTC legislation.

New energy law

On Aug. 14, President Ford signed into law the Energy Conservation & Production Act, a comprehensive energy law designed to increase the amount of energy information currently available, encourage reform of electric utility rates & increase energy conservation both in new & existing buildings. Major provisions of the law include:

Title I—Federal Energy Administration (FEA) Act Amendments—

- A section creating a new **Office of Energy Information** within **Federal Energy Administration (FEA)** to develop information on energy supplies & consumption in the US. Headed by a Director appointed by the President, the office will operate a National Energy Information System to provide information on: (1) patterns of ownership & control of energy both nationally & worldwide, including distribution & marketing of fuels & electricity; (2) how energy is used in this country; (3) economic, environmental & technological aspects of developing energy sources; (4) comparability of energy information supplied by different sources (government vs. industry); (5) industrial, labor & regional aspects of changing patterns of energy supply & consumption; & (6) international aspects of our energy situation.

Title II—Electric Utilities Rate Design Initiatives—

- Section requiring FEA to sponsor new initiatives in the area of electric utility rate design. Congress has determined that reform of utility rates "has great potential for reducing the cost of electric utility services to consumer." Accordingly, the law requires FEA to: (1) develop proposals to improve electric utility rate design; (2) to fund electric utility rate demonstration projects; & (3) to intervene or participate, upon request, in proceedings of state utility regulatory commissions (which must approve rates).

- Key provision of this section for consumer requires FEA to make grants to the states to provide for the establishment & operation of office of consumer services to help consumers argue their side before state utility commissions. Under the law, these offices must be independent of the state utility commissions.

Title III—"The Energy Conservation Standards for New Buildings Act of 1976"—

- Authority for the Federal Government to assure that energy conservation features will be incorporated into new buildings. Congress found that large amounts of energy are consumed each year in heating, cooling, ventilating & providing hot water for newly constructed buildings built without adequate energy conservation features. Law includes:

- Provision requiring FEA to develop & publish proposed performance standards for new commercial & residential buildings receiving Federal assistance no later than 3 years from law's enactment.

- Section allowing FEA to give grants to state & local governments to help them meet the costs involved in adopting or implementing performance standards for new buildings.

Title IV—"The Energy Conservation in Existing Buildings Act of 1976"—

- Section creating a weatherization assistance program added to help achieve a prescribed level of insulation in the homes of low-income consumers, elderly & handicapped. Under this new program, FEA will make grants to the states that will develop plans for weatherizing the homes of their low-income residents.

- Provision requiring FEA to establish guidelines to help states develop supplemental energy conservation plans. An important aspect of these plans for consumers is a program providing assistance for individuals to undertake cooperative action to implement energy conservation measures.

Recalls

- **EYE DROPS—Food & Drug Administration (FDA)** announces recall of 5,798 bottles (22 ml size) of Eyecool, an over-the-counter decongestant for tired, itching or burning red eyes. Distributed nationwide, product was recalled by manufacturer, Milroy Laboratories Division, Tellevast, FL. Product being recalled because of bacterial contamination.

- **LIQUID COSMETICS—Food & Drug Administration (FDA)** announces recall of all lots of shampoos, creme rinses, hair conditioners, bath oils, bubble baths & skin care lotions packaged in 3 sizes of plastic bottles with plastic caps under the following labels: Beauty Bouquet, Flower Girl, Von's, Waremart, Lovely & Smart Sheen. Distributed nationwide, product was recalled by manufacturer, Cosway Co. Inc., Gardena, CA. Firm estimated 151,416 liters (40,000 gallons) remain on the market. Product being recalled because of bacterial contamination.

- **G-VANS—General Motors** has announced the recall of about 16,000 Chevrolet & GMC 1976 G-Vans, equipped with cruise control, for possible replacement of a fastener connecting the cruise control bracket to the carburetor accelerator lever. Incorrect type of fastener could loosen, eventually fall & possibly lodge in the accelerator control linkage, causing the throttle linkage to be held in the open position—preventing the engine from returning to idle speed. Replacement of the incorrect type of fastener will be made at no charge to owners.

- **MOTORHOMES — Chrysler Corp.** has announced the recall of 6,417 Dodge Motorhomes built in 1975 model year because of the way the wheel rim is spot-welded to the center disc, making it susceptible to stress & wear. Failure in the spot-weld could cause the wheels to fall off. Owners of these motorhomes should take them to their dealers for inspection & correction if necessary.

- **PACERS—American Motors Corp.** announces recall of 19,581 1976 Pacers because they may contain a rear seat back hinge assembly with a shallow staking impression on the shoulder rivet that mounts the seat back latch to the hinge arm. Passengers could be injured if the car stops abruptly & the rear seat-back folds. Dealers will make the necessary repairs at no cost. For more information on the recall, contact AMC by calling the toll-free hotline, 800-521-7000 (in Michigan: 800-572-9570).

- **EYE LOTION—Food and Drug Administration (FDA)** announces recall of Rexall Eyelo Eye Lotion because of the possibility of nonsterility. Manufactured by Rexall Drug Co., St. Louis, MO, the lotion was distributed nationwide in 227 ml (8 ounce) & 114 ml (4 ounce) size bottles.

No ban

Consumer Product Safety (CPSC) has announced that it has denied a petition to ban imported hair products contaminated with anthrax. CPSC does not believe a ban is reasonably necessary to protect the public.

CPSC said that on the basis of available information, it is unable to determine that an unreasonable risk of injury is associated with such products.

Anthrax is a disease of animals such as cattle, sheep, goats & horses. **Center for Disease Control** (CDC) data show that there are only 2 or 3 cases of human anthrax a year in the US. These are generally contracted by persons who handle hair, hides or carcasses of infected animals.

CPSC reached its decision after studying available information & reviewing the authority other agencies have to deal with anthrax.

Petition requesting the import ban was received by CPSC's Office of the Secretary on May 4. Petitioner is John K. Emerson, Chief Public Health Veterinarian for Colorado's Department of Health.

Corrections

FIREWORKS [CONSUMER NEWS: June 15]—Colored sparklers & hand-held Roman Candles have not been banned by **Consumer Product Safety Commission** (CPSC).

FEDERAL CRIME INSURANCE [CONSUMER NEWS: Aug. 15]—Toll free number for Insurance Co. of North America is incorrect. Correct number is 800-841-4961.

Vitamins for kids

Hudson Pharmaceutical Corp. of West Caldwell, NJ, has agreed to a **Federal Trade Commission** (FTC) consent order that prohibits the company from advertising Spider Man vitamins in newspapers or magazines or on television if the dominant appeal of the ad is to children or if children are half the audience for TV programs in which Spider Man vitamin commercials appear. Also, Hudson cannot advertise any vitamins for children on TV before 9:05 p.m. (local time) if Spider Man or any other "hero" is used in the commercial. FTC's consent order also states that (1) a hero figure in a Hudson vitamin ad cannot be shown larger than half the size of the ad itself; (2) Hudson cannot advertise any children's vitamins in comic books; & (3) Hudson cannot mail vitamin ads direct to children.

FTC's consent order is based on the ads being an unfair practice. FTC said: "Children are unqualified by age or experience to decide for themselves whether or not they should use multiple vitamin supplements in general or an advertised brand in particular."

Hudson stopped using the Spider Man vitamin ads after Action for Children's Television (ACT) of Boston filed a complaint with FTC in 1975. In agreeing to FTC's consent order, Hudson did not deny or admit that it had violated the FTC law.

In other action FTC has accepted an agreement containing a consent order with California & Hawaiian (C&H) Sugar Co & its advertising agency Foote, Cone & Belding/Honig Inc., prohibiting them from saying in their advertisements that there are differences in granulated sugars unless the differences can be proved. FTC alleged that C&H said its brand of sugar is superior to granulated sugar from sugar beets or places other than Hawaii.

Also, FTC has accepted an agreement containing a consent order with Lafayette United Corp, Lafayette Academy Inc. and Lafayette Motivation Media Inc of North Providence, RI, prohibiting them from using unfair & deceptive practices to sell correspondence courses. Complaint alleges that firms had misrepresented they would provide a high school equivalency diploma to those who completed their home study course & that no state examination was required for awarding of a diploma. Complaint challenged alleged misrepresentations in advertising, such as "many job openings available."

Consent agreement is for settlement purposes only & does not constitute an admission by the companies that they have violated the law. When issued by FTC on a final basis, a consent order carries the force of law with respect to future actions. Violations of such an order may result in a civil penalty up to \$10,000 per violation being imposed upon a respondent.

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